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Comments on HR 5138, A bill to amend 1987 PA 230. For The Health Policy Committee,

Health Policy, Rep. Mike Callton, Chair

DATE: Tuesday, February 2, 2016 TIME: 9:00 AM PLACE: Room 519, House Office Building, Lansing, MI

From: Mark John Hunter 614 S. 8th Avenue Alpena, MI 49707 989-356-3171 ohio@core.com

One Alpena County commissioner at the second meeting on the "proposed" hospital transfer asked "what happens if we do nothing?"

Smith's answer was an example of how he often answers questions. It was that he gave you no reason why things would be worse in three or four years. NO REASON. I could as easily say that we can see that anything, say Panel Processing looks like he will be OK for the next three or four years, but after that, it could be bankrupt. And the seas could part as well.

Good management can keep ARMC running well and improve it for the foreseeable future. Eric Smith gave no reason why MidMichigan would do a better job at adjusting to changing laws on hospital reimbursement. What Smith does again and again is say the future is uncertain, and ARMC, he implies cannot handle an uncertain future; but someone else can. WHY? Yes, the future is always uncertain. it was this way forever. If Eric Smith and other board members see only a negative future for ARMC with them and the current administration running it, then why do they not leave and let new Alpena citizens replace them on the board, and find better management?

Why is Alpena so inadequate to meeting the future? Because we are smaller than Midland? I gave the commissioners four articles on research to show that larger is not always better in health care. But it our commissioners being lead down this path with so little understanding on the solid facts and how these deals have gone according to recent research.

What I see is the usual manipulation of the public. It is a done deal, and the public gets no vote, that was clear after Wednesday afternoon's meeting; UNLESS you and other citizens demand that we be given a vote. The commissioners are ready to let ARMC pass on to the uncertain future of having MidMichigan own it.

Wish the commissioners had put more thought into asking questions. Mary Hess put together a long set of questions. Ron McDonald and Eric Lawson ask several, and Jeff Kowalski asked one. To me the shortage of questions means the decision is made.

The time of the marting (1 n m ) was not conducted to a large turnout

convenient time of the year.

People go hunting.

Did not like that the resolution to support the bill in Lansing to allow the transfer, was not on the agenda, so people might have a chance to comment on it before commissioners voted for it. Looks like a

done deal, when the resolution was written before public comments, and without comments on the resolution itself.

Passing a resolution like that is taken to mean full speed ahead, especially with the way the county attorney talked about moving forward with this. And I expect from the way County Chair Cam Hobermehl said no decision had been made on a public vote, that there will be no public vote on this. It was not in the resolution to have it added to the bill. You can call this an opinion, but ARMC will bring it up if the commissioners go for a public vote.

I have previously spoken about a hospital competitor moving in on the territory. That would have to be approved by the state as necessary. That is unlikely. And would having MidMichigan own ARMC reduce or eliminate a competitor wanting to move in? I do not think that a major system or larger for profit corporation would think twice about it if they want this area.

It was interesting to hear ARMC board chair Eric Smith say that after 3 or four years there could be problems. He does not have a lot of credibility with me based on going to hospital board meetings. But that is my observation and I cannot prove to you that he will exaggerate or only give part of the story on purpose. All I can say is that is my experience. Even so, it would be interesting to know why he thinks ARMC finances will weaken over the next 3 or 4 years, and to evaluate whether it is within a reasonable likelihood.

From the hearing I can give you three examples of ARMC Board chair, Eric Smith not telling the whole story. One was that he made it sound like there had been a professional evaluation of whether ARMC should be independent or not.

There was none as far I have ever heard.

Second Eric Smith said that kidney dialysis was better then it has been with the new company. OK, that is very well true for outpatients, but not for inpatients. There is no inpatient dialysis service, so the hospital loses business, because dialysis patients who need operations, or other inpatient stays are transferred to other hospitals.

Hind he said that the hospital had not brought do tors offices as part of preparing to sell the hospital. He said that it has become the case that doctors prefer to be part of a hospital's system or otherwise be employees instead of practice owners. On other occasions Eric Smith has said they bought the doctors offices to prevent competitors from doing so. These two ideas are not inconsistent, since if doctors saided to sell, then there would be more of a risk a competitor would fing them there species with people who worked at some of these offices, and they will tell you that some of the doctors were pushed to sell and contacted many times by ARMC trying to buy them. They did not all want to become an employee and sell their practices.

Thave been so discouraged on getting information, that is one reason I cannot support a transfer of ARMC to MidMichigan. This may be like the quote from Nancy Pelosi, that we need to pass Obamacare to find out what is in it. Answers were better at this meeting than the first, but many answers were generalized or incomplete.

What makes anyone think that MidMichigan is better prepared to handle changes in Obamacare, or who knows, Trump-Care, or Bernie-Care?

- 1. I ask that the Health Policy Committee vote no on this bill, and not recommend it for passage. Alpena Regional Medical Center can do well on its own, as long as it gets new local leadership, instead of the disastrous leadership we have had under Karmon Bjella.
- 2. If the Health Policy Committee votes to recommend the bill for passage, then I ask that a provision be added allowing the Alpena County Commissioners, or in the case of other counties, their commissioners to have a vote of the people on whether to transfer the hospital. I would prefer that such an vote be required, but even a provision allowing but not requiring a vote would be better than none. See Michigan Attorney General Opinion No. 6411.
- 3. This hearing should have been held in Alpena, and the community should have been given notice. As it is only by diligence did we find out about the hearing. There should have been an official notice printed in the local newspaper a month ahead of time, with a reminder one week before the hearing.

